STAND. COM. REP. NO. 197-14

Honolulu, Hawaii

March 21

, 2014

RE:

S.B. No. 2250

S.D. 2

H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Sir:

Your Committees on Consumer Protection & Commerce and Judiciary, to which was referred S.B. No. 2250, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO CHARITABLE SOLICITATION,"

beg leave to report as follows:

The purpose of this measure is to amend state law regarding the solicitation of contributions from the public.

More specifically, this measure:

- (1) Requires certain disclosures on collection boxes that are owned and operated by a:
 - (A) Charitable organization exempt from the income tax under section 501(c)(3) of the Internal Revenue Code;
 - (B) Professional solicitor; or
 - (C) For-profit organization that is not a professional solicitor or an organization exempt from the income tax under section 501(c)(3) of the Internal Revenue Code;

- (2) Clarifies registration requirements for:
 - (A) Hawaii domiciled charitable organizations; and
 - (B) Nonprofit organizations covered by an Internal Revenue Service group exemption ruling;
- (3) Authorizes the Attorney General to require electronic financial reporting by professional solicitors;
- (4) Imposes a fee for late financial reports by professional solicitors;
- (5) Amends the time within which a commercial co-venturer must provide a final accounting to a charitable organization, and provides penalties that the Attorney General may impose on a commercial co-venturer for violation of chapter 467B, Hawaii Revised Statutes;
- (6) Clarifies exemptions from registration requirements; and
- (7) Makes other technical and housekeeping amendments to chapter 467B, Hawaii Revised Statutes.

Your Committees find that this measure will provide greater protections for consumers and donors by establishing new disclosure requirements for collection boxes operated by forprofit and nonprofit organizations. Your Committees also believe that this measure will facilitate the Attorney General's transition to electronic registration systems and provide greater clarity with regard to registration and reporting requirements.

Your Committees have amended this measure by changing the effective date to December 21, 2112, to facilitate further discussion on the measure.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2250, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2250, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

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Respectfully submitted on behalf of the members of the Committees on Consumer Protection & Commerce and Judiciary,

KARL RHOADS, Chair

ANGUS L.K. McKELVEY, Chair



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Record of Votes of the Committee on Consumer Protection and Commerce

Bill/Resolution No.: SB 2250, SD2	CPC/JUD, FIN			Date: 3/17/14		
☐ The committee is reconsidering its prev	ious decision o	on the measure.				
	unamended (a		, with amendments	(HD)		
CPC Members		Ayes	Ayes (WR)	Nays	Excused	
1. McKELVEY, Angus L.K. (C)						
2. KAWAKAMI, Derek S.K. (VC)	02410000 10.00010.0001					
3. BELATTI, Della Au						
4. BROWER, Tom			39E 9 (280) (2000) 200 (2000) (2000) (2000)	Pictural Confidence and Confidence		
5. CACHOLA, Romy M.	15 50		<u> Markett</u>			
6. CREAGAN, Richard	The self vice supplies have sup			3-1-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-	\$7.5	
7. EVANS, Cindy						
8. HAR, Sharon E. 9. ITO, Ken			TE TO HOUSE THE SECOND			
10. LEE, Chris		Na.				
11. NAKASHIMA, Mark M.						
12. OSHIRO, Marcus R.	3.3.7. 98 88 88					
13. TSUJI, Clift						
14. YAMANE, Ryan I.	ile: Table 112 of 12					
15. MCDERMOTT, Bob						
16. THIELEN, Cynthia			property 411 4 = 4 2 11 monocolomo, 29 4 9 9 12 12 12 2 18 1 1 2 18 1 1 1 1 1 1 1 1	22. S. The miles designed as a series of the second and the second as a series of the second as a seco	JE 6: 1. Allege 200: 14 (197)	
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TOTAL (16)					5	
The recommendation is: Adopted If joint referral, did not support recommendation. Committee acronym(s)						
Vice Chair's or designee's signature:						
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO						



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Record of Votes of the Committee on Judiciary

	tee Referral: とくていり,F	=1N Dat	17/14				
☐ The committee is reconsidering its previous decision on the measure.							
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)							
JUD Members	Ayes	Ayes (WR)	Nays	Excused			
1. RHOADS, Karl (C)	X						
2. HAR, Sharon E. (VC)	×	B WWW.THAY W TOWNS CONTROL OF THE PARTY OF T					
3. BELATTI, Della Au	×						
4. BROWER, Tom	<u> </u>			The sharp with a statement of the same			
5. CREAGAN, Richard	\			A CONTRACTOR OF THE PROPERTY O			
6. ITO, Ken 7. KAWAKAMI, Derek S.K.				X			
8. LEE, Chris	X			~			
9. NAKASHIMA, Mark M.				~ ~			
10. TSUJI, Clift	×	. E.					
11. WOOLEY, Jessica				X			
12. MCDERMOTT, Bob	\sim						
13. THIELEN, Cynthia	X						
	<u> </u>						
	-						
TOTAL (13)	9			4			
The recommendation is: Adopted							
Vice Chair's or designee's signature:							
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